

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7167

BILL NUMBER: HB 1322

NOTE PREPARED: Jan 12, 2013

BILL AMENDED:

SUBJECT: Certificates of Insurance.

FIRST AUTHOR: Rep. Lehman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill specifies requirements related to a certificate of insurance issued in connection with property, operations, or risks located in Indiana.

Effective Date: July 1, 2013.

Explanation of State Expenditures: The Department of Insurance (DOI) does not currently review certificates of insurance because they are not part of an insurance contract. This bill will increase the workload of the DOI to inspect and approve certificates of insurance as well as take enforcement actions against individuals who violate provisions of the bill regulating certificates of insurance. The DOI reports the provisions of the bill can be accomplished with existing staff and resources.

Explanation of State Revenues: Under the bill, the DOI would be able to assess a maximum \$1,000 civil penalty against individuals who violate provisions of the bill regulating certificates of insurance. Revenue collected would be deposited in the DOI Fund. This bill could increase revenue to the DOI Fund to the extent the DOI determines an individual has violated these regulations for certificates of insurance. Actual increases are unknown.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DOI.

Local Agencies Affected:

Information Sources: Logan Harrison, DOI; National Conference of Insurance Legislators.

Fiscal Analyst: Bill Brumbach, 232-9559.